

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA

WEST MONROE, LOUISIANA

FINANCIAL STATEMENTS
AND ADDITIONAL INFORMATION
FOR THE YEAR ENDED
DECEMBER 31, 2009

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 8/18/10

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA

FINANCIAL STATEMENTS
DECEMBER 31, 2009

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JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.

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July 30, 2010

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Boys and Girls Club of West Monroe, Inc.
d/b/a Boys and Girls Club of Northeast Louisiana
West Monroe, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana (a nonprofit organization) as of and for the year ended December 31, 2009, which collectively comprise Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's basic financial statements and have issued our report thereon dated July 30, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying schedule of findings and responses that we consider to be significant deficiencies in internal control over financial reporting. These findings are identified as items 09-1 and 09-2. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of non-compliance or other matters that is required to be reported under *Government Auditing Standards*, and which is described in the accompanying schedule of findings and responses as item 09-3.

Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. We did not audit Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of management, the audit committee, and Board of Directors, and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

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July 30, 2010

INDEPENDENT AUDITORS' REPORT

Board of Directors
Boys and Girls Club of West Monroe, Inc.
d/b/a Boys and Girls Club of Northeast Louisiana
West Monroe, Louisiana

We have audited the accompanying statement of financial position of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana (a non-profit organization) as of December 31, 2009, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana as of December 31, 2009, and the changes in its net assets

and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 30, 2010 on our consideration of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana taken as a whole. The accompanying financial information listed as supplementary financial information in the table of contents and the accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis, and is not a required part of the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Johnston, Perry, Johnson & Associates, L.L.P.

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>ASSETS</u>			
<u>CURRENT ASSETS</u>			
Cash and Cash Equivalents	146,785	-	146,785
Accounts Receivable - Grants	1,582	-	1,582
Accounts Receivable - Other	3,974	-	3,974
Prepaid Insurance	13,927	-	13,927
Unconditional Promise to Give - United Way Service and Capital One Funding in Next Calendar Year	-	45,200	45,200
Unconditional Promise to Give - Capital One Funding After Next Calendar Year	-	-	-
<u>TOTAL CURRENT ASSETS</u>	<u>166,268</u>	<u>45,200</u>	<u>211,468</u>
<u>FIXED ASSETS</u>			
Equipment and Leasehold Improvements, Net	73,616	-	73,616
<u>NET FIXED ASSETS</u>	<u>73,616</u>	<u>-0-</u>	<u>73,616</u>
<u>OTHER ASSETS</u>			
Other Assets	3,948	-	3,948
<u>TOTAL OTHER ASSETS</u>	<u>3,948</u>	<u>-0-</u>	<u>3,948</u>
<u>TOTAL ASSETS</u>	<u>243,832</u>	<u>45,200</u>	<u>289,032</u>
<u>LIABILITIES AND NET ASSETS</u>			
<u>CURRENT LIABILITIES</u>			
Accounts Payable	5,611	-	5,611
Accrued Payroll Taxes	1,946	-	1,946
Accrued Insurance	-	-	-
Pension Payable	2,021	-	2,021
Line of Credit	-	-	-
<u>TOTAL CURRENT LIABILITIES</u>	<u>9,578</u>	<u>-0-</u>	<u>9,578</u>
<u>NET ASSETS</u>	<u>234,254</u>	<u>45,200</u>	<u>279,454</u>
<u>TOTAL LIABILITIES AND NET ASSETS</u>	<u>243,832</u>	<u>45,200</u>	<u>289,032</u>

The accompanying notes are an integral part of these financial statements.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<u>SUPPORT AND REVENUE</u>			
<u>SUPPORT</u>			
Grants	55,494	-	55,494
Contributions	32,340	-	32,340
Other	644	-	644
United Way Contributions	50,177	45,200	95,377
Net Assets Released from Restriction (United Way)	<u>50,000</u>	<u>(50,000)</u>	-
<u>TOTAL SUPPORT</u>	<u>188,655</u>	<u>(4,800)</u>	<u>183,855</u>
<u>REVENUE</u>			
Charitable Gaming - Net	11,548		11,548
Special Events - Net	11,143	-	11,143
Membership Dues	843	-	843
Program Service Fees	39,937	-	39,937
Concessions	3,860	-	3,860
Legalities and Bequests	328,407	-	328,407
Interest Income	445	-	445
Miscellaneous Income	<u>375</u>	-	<u>375</u>
<u>TOTAL REVENUE</u>	<u>396,558</u>	<u>-0-</u>	<u>396,558</u>
<u>TOTAL SUPPORT AND REVENUE</u>	<u>585,213</u>	<u>(4,800)</u>	<u>580,413</u>
<u>EXPENSES</u>			
Program Services	<u>346,157</u>	-	<u>346,157</u>
Support Services			
Management and General	34,640	-	34,640
Fund-Raising	<u>27,568</u>	-	<u>27,568</u>
<u>Total Support Services</u>	<u>62,208</u>	<u>-0-</u>	<u>62,208</u>
<u>TOTAL EXPENSES</u>	<u>408,365</u>	<u>-0-</u>	<u>408,365</u>
Change in Net Assets	176,848	(4,800)	172,048
<u>NET ASSETS AT BEGINNING OF YEAR</u>	<u>57,406</u>	<u>50,000</u>	<u>107,406</u>
<u>NET ASSETS AT END OF YEAR</u>	<u>234,254</u>	<u>45,200</u>	<u>279,454</u>

The accompanying notes are an integral part of these financial statements.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009

<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>	
Change in Net Assets	<u>172,048</u>
Adjustments to Reconcile Change in Unrestricted Net Assets To Net Cash Provided by Operating Activities	
Depreciation	9,099
(Increase) Decrease in Accounts Receivable - Grants	10,319
(Increase) Decrease in Accounts Receivable - Other	(3,974)
(Increase) Decrease in United Way Funding Commitment	4,800
(Increase) Decrease in Prepaid Insurance	4,843
Increase (Decrease) in Accounts Payable	(1,288)
Increase (Decrease) in Accrued Payroll Taxes	(1,633)
Increase (Decrease) in Accrued Insurance	(11,366)
Increase (Decrease) in Pension Payable	<u>431</u>
Net Cash Provided (Used) By Operating Activities	<u>183,279</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>	
Purchase of Fixed Assets	(<u>9,220</u>)
Net Cash Provided (Used) By Investing Activities	(<u>9,220</u>)
<u>CASH FLOWS FROM FINANCING ACTIVITIES:</u>	
Proceeds from Line-of-Credit	125,295
Payments on Line-of-Credit	(152,871)
Net Cash Provided (Used) By Financing Activities	(<u>27,576</u>)
<u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	<u>146,483</u>
<u>CASH AND CASH EQUIVALENTS - BEGINNING OF PERIOD</u>	<u>302</u>
<u>CASH AND CASH EQUIVALENTS - END OF PERIOD</u>	<u>146,785</u>
Cash Paid for Interest	1,192
Cash Paid for Income Taxes	-0-

The accompanying notes are an integral part of these financial statements.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2009

	Program Services Boys and Girls Club	Support Services		Total
		Management And General	Fund- Raising	
Salaries	191,098	16,800	16,800	224,698
Employee Benefits	20,828	2,016	2,016	24,860
Payroll Taxes	14,029	1,680	1,680	17,389
Professional Fees	12,879	1,516	758	15,153
Supplies	26,717	3,144	1,572	31,433
Occupancy	27,592	3,246	1,623	32,461
Rental/Maintenance Equipment	1,792	212	106	2,110
Travel/Convention	9,523	1,120	560	11,203
Painting and Postage	1,046	122	61	1,229
Telephone	4,427	522	261	5,210
Insurance	20,663	2,432	1,216	24,311
Interest	1,012	120	60	1,192
Dues and Fees	6,213	730	365	7,308
Depreciation	7,734	910	455	9,099
Miscellaneous	604	70	35	709
TOTAL FUNCTIONAL EXPENSES	346,157	34,640	27,568	408,365

The accompanying notes are an integral part of these financial statements.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana (the Organization) is a local non-profit organization that provides a pool, gym, baseball, flag football, and basketball to boys and girls in northeast Louisiana. The Organization is supported through contributions by the United Way and various other grants.

Basis of Accounting

Financial statements are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Basis of Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Organization considers all unrestricted highly liquid investments with an original maturity of three months or less to be cash equivalents. Fair value approximates carrying amounts.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2009

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (Continued)

Allocation of Functional Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs, fund-raising costs, and supporting services benefited.

Reserve for Bad Debts

Accounts receivable have been reviewed by management and it has been determined that there is no requirement for an allowance for doubtful accounts as of December 31, 2009.

Income Tax Status

The Organization qualified as a tax-exempt organization under Section 501(C)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Advertising Costs

The Organization expenses advertising costs as they are incurred. Advertising expenses for the year ended December 31, 2009 were immaterial.

NOTE 2 - DONATED SERVICES:

No amounts have been reflected in the financial statements for donated services as no objective basis is available to measure the value of such services.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2009

NOTE 3 - PLANT ASSETS AND DEPRECIATION:

Depreciation of plant assets is calculated on the straight line basis over the estimated useful lives of the assets. The Organization capitalizes all assets over \$1,000 with useful life greater than one year. The cost of such assets at December 31, 2009 is as follows:

	<u>Amount</u>
Land	25,000
Buildings	100,000
Pool	254,984
Computer Equipment	44,887
Vehicles	9,298
Equipment	<u>68,699</u>
Subtotal	502,868
Accumulated Depreciation	<u>(429,252)</u>
 <u>Total</u>	 <u>73,616</u>

NOTE 4 - FUND-RAISING COSTS:

Fund-raising costs, other than charitable gaming, special events, and concession sales, are detailed in the statement of functional expenses. The costs of charitable gaming, special events, and concessions are as follows:

	<u>Charitable Gaming</u>	<u>Special Events</u>	<u>Concessions</u>
Gross Sales	114,849	22,133	3,860
Cost of Sales	<u>(103,301)</u>	<u>(10,990)</u>	<u>-</u>
 <u>NET PROFIT (LOSS)</u>	 <u>11,548</u>	 <u>11,143</u>	 <u>3,860</u>

NOTE 5 - PENSION PLAN:

The Organization maintains an employee retirement plan for full-time, salaried employees. Employee contributions are equal to five percent of compensation. The pension contribution for the year was \$5,790.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2009

NOTE 6 - NET ASSETS:

The Organization reports information regarding its financial position and activities according to these classes of net assets:

Unrestricted Net Assets - consists of assets, public support and program revenues which are available and used for operations and programs. Contributions are considered available for unrestricted use unless specifically restricted by the donor.

Temporarily Restricted Net Assets - includes funds with donor-imposed restrictions which permit the donee organization to expend the assets as specified and is satisfied either by the passage of time or by actions of the organization. Resources of this nature originate from gifts, grants, bequests, contracts and investment income earned on restricted funds.

Permanently Restricted Net Assets - includes resources which have a permanent donor-imposed restriction which stipulates that the assets are to be maintained permanently, but permits the organization to expend part or all of the income derived from the donated assets.

NOTE 7 - LINE OF CREDIT:

The Organization established a \$35,000 line of credit with Capital One Bank. The interest rate on the line of credit is 6.89% and the outstanding balance is \$-0- at December 31, 2009.

NOTE 8 - GRANT INCOME:

Grant income at December 31, 2009 consists of various grants totaling \$55,494. The details of the grant income are as follows:

Governor's Safe and Drug-Free Schools and Communities Program	18,000
Louisiana Alliance of Boys and Girls Clubs (TANF)	17,637
Office of Justice Programs	19,857
<u>Total</u>	<u>55,494</u>

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
DECEMBER 31, 2009

NOTE 9 - GRANT RECEIVABLES:

Accounts Receivable - Grants at December 31, 2009 consists of reimbursements for expenses incurred under the various grant programs. The following list presents Accounts Receivable - Grant(s) by fund at December 31, 2009:

Louisiana Alliance of Boys and Girls Clubs	<u>1,582</u>
<u>Total</u>	<u>1,582</u>

NOTE 10 - IMPAIRMENT OF LONG-LIVED ASSETS:

In accordance with the accounting guidance for the impairment or disposal of long-lived assets, the Organization reviews its property for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If the fair value is less than the carrying amount of the asset, an impairment loss is recognized for the difference. No impairment loss has been recognized to date.

NOTE 11 - SUBSEQUENT EVENTS:

Events that occur after the balance sheet date but before the financial statements were issued must be evaluated for recognition or disclosure. The effects of subsequent events that provide evidence about conditions that existed after the balance sheet date require disclosure in the accompanying notes. Management evaluated the activity of the Organization through July 30, 2010 and concluded that no subsequent events have occurred that would require recognition in the financial statements or disclosures in the notes to the financial statements.

NOTE 12 - UNCERTAIN TAX POSITIONS:

The Organization is subject to examination by various taxing authorities, including federal income tax examinations. Management has reviewed the Organization's activities and believes that no additional amounts or disclosures are needed, as the effect of any uncertain tax positions is not material to the financial statements.

SUPPLEMENTARY FINANCIAL INFORMATION

JOHNSTON, PERRY, JOHNSON & ASSOCIATES, L.L.P.
CERTIFIED PUBLIC ACCOUNTANTS

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2009

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal Disbursements/ Expenditures</u>
Office of Justice Programs	16.541	19,857
Temporary Assistance for Needy Families (Pass-Through Funds)	93.558	<u>17,637</u>
<u>TOTAL</u>		<u>37,494</u>

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2009

NOTE 1 - BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana and is presented on the accrual basis of accounting.

NOTE 2 - SUBRECIPIENTS

Boys and Girls Club of West Monroe, Inc. d/b/a Boys and Girls Club of Northeast Louisiana did not provide federal awards to subrecipients.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
SCHEDULE OF BOARD MEMBERS COMPENSATION
FOR THE YEAR ENDED DECEMBER 31, 2009

No compensation was paid to any board member during the year under audit.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES
FOR THE YEAR ENDED DECEMBER 31, 2009

SECTION I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- * Material weakness(es) identified? yes no
- * Control deficiency(s) identified that are
not considered to be material weaknesses? yes none reported
- Noncompliance material to financial
statements noted? yes no

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
WEST MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2009

SECTION II - FINANCIAL STATEMENT FINDINGS

Internal Control

09-1

Criteria: As is common in small organizations, management has chosen to engage the auditor to propose certain year-end adjusting journal entries and to prepare the organization's annual financial statements. This condition is intentional by management based upon the organization's financial complexity, along with the cost effectiveness of acquiring the ability to prepare financial statements in accordance with generally accepted accounting principles. Consistent with this decision, internal controls over the preparation of year-end adjusting entries and annual financial statements, complete with notes, in accordance with generally accepted accounting principles, have not been established. Under generally accepted auditing standards, this condition represents a significant deficiency in internal controls.

Recently issued professional standards require that we report the above condition as a control deficiency. The standards do not provide exceptions to reporting deficiencies that are adequately mitigated with non-audit services rendered by the auditor or deficiencies for which the remedy would be cost prohibitive or otherwise impractical.

Condition: Proper internal controls under professional standards require management to prepare the organization's annual financial statements.

Cause: It is not cost effective for the organization to cure this control deficiency.

Questioned Costs: None

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
WEST MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2009

SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)

Internal Control (Continued)

09-1 (Continued)

Context: Internal Controls

Effect: This finding has no effect on the financial statements.

Recommendation: As mentioned above, whether or not it would be cost effective to cure a control deficiency is not a factor in applying professional standard reporting requirements. Because prudent management requires that the potential benefit from an internal control must exceed its cost, it may not be practical to correct all the deficiencies an auditor reports. In this case, we do not believe that curing the significant deficiency described above would be cost effective or practical and, accordingly, do not believe any corrective action is necessary.

09-2

Criteria: Invoices should be paid timely each month.

Condition: Several invoices and payroll tax reports were not paid timely, resulting in interest and penalties.

Cause: Due to cash flow problems during the year, the Organization incurred substantial penalties and interest on vendor invoices and payroll taxes.

Questioned Costs: None

Context: Internal Controls

Effect: This finding has no effect on the financial statements.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
WEST MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2009

SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)

Internal Control (Continued)

09-2 (Continued)

Recommendation: The Board of Directors should develop a plan to assist in funding the operating budget and ensuring vendor invoices and payroll taxes are paid timely.

Reply: Management agrees with this finding and will ensure vendor invoices and payroll liabilities are paid timely, and the Board of Directors will develop a plan to control the operating budget.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
WEST MONROE, LOUISIANA
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2009

SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)

Compliance

09-3

Criteria: The audit report should be filed timely.

Condition: The Legislative Auditor requires the Organization to file their audited financial statements within six months of the Organization's year end.

Cause: Management was unable to gather the records necessary to perform an audit in a timely manner.

Questioned Costs: None

Context: Compliance

Effect: This finding has no effect on the financial statements.

Recommendation: We recommend management develop policies to ensure that all future audits are filed by the due date required by the Legislative Auditor.

Reply: Management agrees with this finding and will develop policies to ensure that all future audits are filed by the due date required by the Legislative Auditor.

BOYS AND GIRLS CLUB OF WEST MONROE, INC.
D/B/A BOYS AND GIRLS CLUB OF NORTHEAST LOUISIANA
CORRECTIVE ACTION TAKEN ON PRIOR YEAR FINDINGS
DECEMBER 31, 2009

Internal Control

08-1

Finding: The Organization is operating with an operating deficit.

Status: Cleared. The Organization is no longer operating with an operating deficit

08-2

Finding: Proper internal controls under professional standards require management to prepare the Organization's annual financial statements.

Status: Uncleared. It is not cost effective for the Organization to cure this control deficiency.

08-3

Finding: Several invoices and payroll tax reports were not paid in a timely manner, resulting in interest and penalties.

Status: Uncleared. The Organization is still not paying invoices and payroll tax reports in a timely manner.

08-4

Finding: The Organization was not reconciling bank accounts monthly and reviewing outstanding items.

Status: Cleared. The Organization is reconciling bank accounts monthly and reviewing outstanding items.

Compliance

08-5

Finding: The audit report was not filed in a timely manner.

Status: Uncleared. The audit report is still not filed on time.